CERES GLOBAL

ANNUAL INFORMATION FORM

For the year ended June 30, 2019

September 17, 2019

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FORWARD-LOOKING INFORMATION

This annual information form ("**AIF**") contains "forward-looking information" within the meaning of applicable Canadian securities legislation and United States securities laws. Forward-looking information may include, but is not limited to, statements regarding future operations and results, anticipated business prospects and financial performance of Ceres Global Ag Corp. ("**Ceres**" or the "**Corporation**") and its subsidiaries, expectations or projections about the future, strategies and goals for growth, anticipated capital projects, construction and completion dates, including the plans, costs, timing and capital for the further development of the Northgate Logistics Center ("**Northgate**" or the "**NLC**"), operating and financial results, critical accounting estimates and the expected financial and operational consequences of future commitments. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "scheduled", "intends", "anticipates" or "does not anticipate", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is available, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information.

Key assumptions upon which such forward-looking information is based include, but are not limited to, the following (i) supply and demand factors as well as the pricing environment for grains and other agricultural commodities; (ii) fluctuation of currency and interest rates; (iii) general financial conditions for Western Canadian and American agricultural producers; (iv) market share that will be achieved by the Corporation; (v) Ceres' ability to maintain existing customer contracts and relationships; (vi) an expected increase in the utilization of Ceres' facilities; and (vii) continued compliance by Ceres with its loan covenants.

Many such assumptions are based on factors and events that are not within the control of Ceres and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in agricultural, food processing and feed sectors, construction and completion of capital projects, labor, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Ceres to successfully implement strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Corporation's assets, the availability and price of commodities, as well as the regulatory environment, processes and decisions. Although Ceres has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results that are not anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Ceres undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

In this AIF, unless otherwise indicated, all dollar amounts are expressed in US dollars, references to "$" are to US dollars and references to "C$" are to Canadian dollars.

This AIF is dated September 17, 2019. Unless otherwise indicated, the information contained in this AIF is current as of June 30, 2019.

CORPORATE STRUCTURE

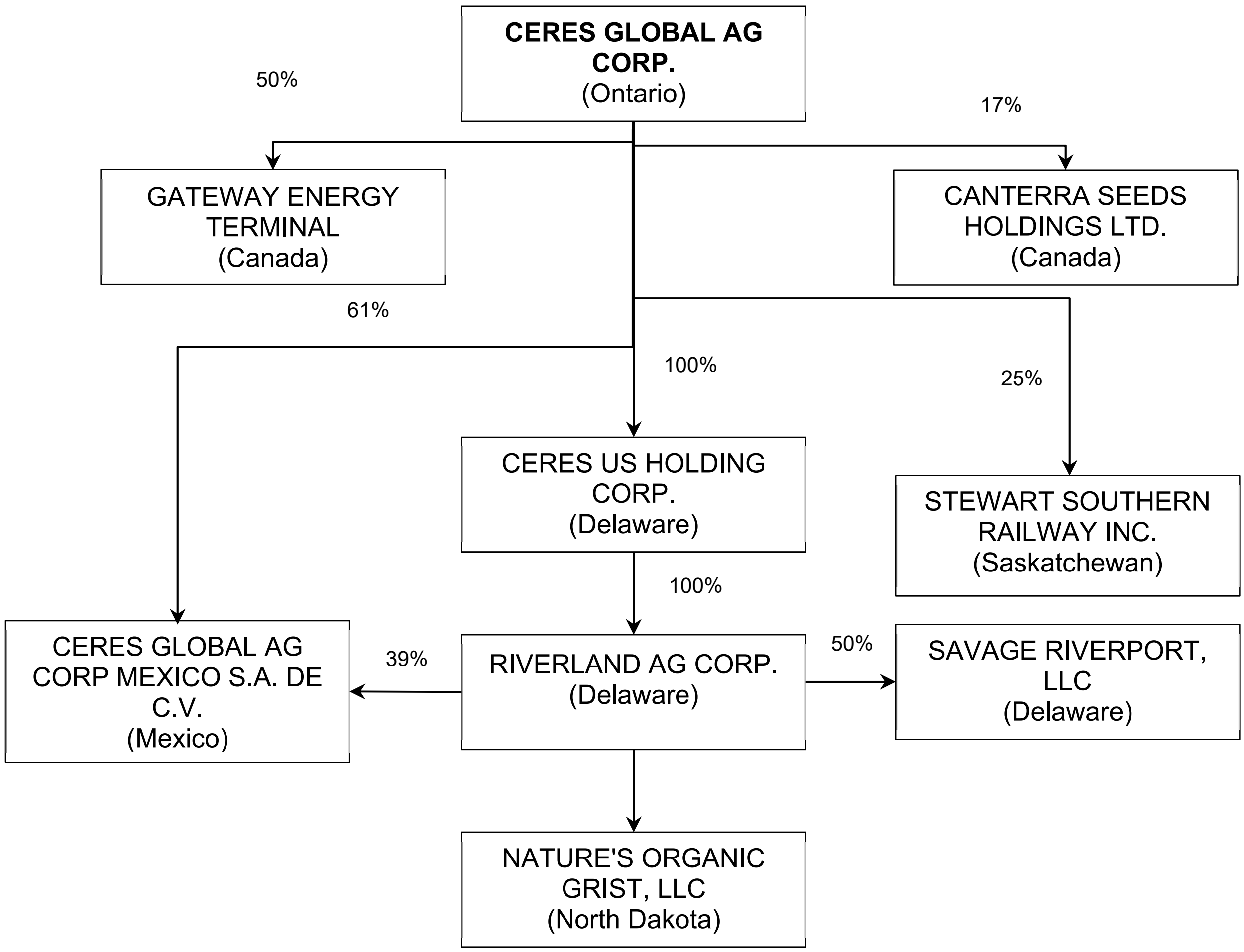
Name, Address and Incorporation

Ceres Global Ag Corp. was initially incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**") by articles of incorporation dated November 1, 2007. Pursuant to articles of amendment dated December 6, 2007, the share transfer restrictions applicable to the Corporation were removed. On April 1, 2015, the Corporation amalgamated under the OBCA with its wholly-owned subsidiaries, Corus Oil Company Ltd., Corus Port Company Ltd., Corus Supply Company Ltd., Thunder Bay Grain Development Corp., Ceres Canada Holding Corp. and Riverland Agriculture, Ltd. The Corporation's registered office is located at c/o Blake, Cassels & Graydon LLP 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario, M5L 1A9 and its head office is located at 701 Xenia Avenue S., Suite 400, Minneapolis, Minnesota, 55416.

Intercorporate Relationships

The Corporation has the following wholly-owned subsidiaries: Ceres US Holding Corp. (Delaware), Riverland Ag Corp. (Delaware) ("**Riverland Ag**"), Nature's Organic Grist ("**NOG**"), Ceres Global Ag Corp Mexico S.A. DE C.V., unless the context otherwise requires, all references to the "Corporation" refer to the Corporation and its subsidiaries. The Corporation also holds a 50% joint venture interest in Savage Riverport, LLC ("**Savage Riverport**"), a 50% joint venture interest in Gateway Energy Terminal, a 25% interest in Stewart Southern Railway Inc. ("**SSR**"), and a 17% interest in Canterra Seeds Holdings Ltd. Set out below is the corporate structure of the Corporation and its subsidiaries and other significant investments as at June 30, 2019.[1]

[1] On August 16, 2019, the Corporation acquired 100% of the equity of Delmar Commodities Ltd. ("**Delmar**"), which will be a wholly-owned subsidiary of Ceres Global Ag Corp.



CERES GLOBAL AG CORP.
(Ontario)
50%
17%
GATEWAY ENERGY TERMINAL
(Canada)
CANTERRA SEEDS HOLDINGS LTD.
(Canada)
61%
100%
25%
CERES US HOLDING CORP.
(Delaware)
STEWART SOUTHERN RAILWAY INC.
(Saskatchewan)
100%
CERES GLOBAL AG CORP MEXICO S.A. DE C.V.
(Mexico)
39%
RIVERLAND AG CORP.
(Delaware)
50%
SAVAGE RIVERPORT, LLC
(Delaware)
NATURE'S ORGANIC GRIST, LLC
(North Dakota)

DEVELOPMENT OF THE BUSINESS

Three Year History[2]

In April 2017, Ceres completed commissioning of a fertilizer storage facility capable of storing approximately 23,500 metric tons.

In May 2018, the NLC became certified under the Customs Trade Partnership Against Terrorism ("**CTPAT**"), a program managed by US Customs and Border Protection. The CTPAT is a voluntary public-private partnership program meant to strengthen international supply chains.

In July 2018, the Corporation acquired 100% of the Membership Units of Nature's Organic Grist, LLC, a supplier of organic grains.

In June 2019, the Corporation formed Gateway Energy Terminal, a joint venture with Steel Reef Infrastructure Corp. focused on transloading hydrocarbon products for movement between the US and Canada. The Corporation and Steel Reef Infrastructure Corp. each own 50% of the joint venture. The joint venture commenced operations as of July 1, 2019.

See "Description of the Business – Supply Chain Services" for further details.

Management Appointments

- On September 22, 2016, the Corporation appointed Mr. Day as President and CEO.
- On June 1, 2017, the Corporation appointed John Carroll as Vice President of Trading and Risk Management.
- On July 10, 2017, Kyle Egbert joined the Corporation as the Vice President of Finance.
- On October 1, 2017, the Corporation appointed Kyle Egbert as Vice President and Chief Financial Officer to replace Mark Kucala.
- On May 22, 2018 the Corporation appointed Glen Goldman as Vice President, General Counsel, and Corporate Secretary.
- On January 7, 2019, Mr. Carroll's employment with the Corporation ended.
- On June 24, 2019, the Corporation appointed Sarah Blomquist as Vice President, Human Resources and Corporate Administration.

Changes to Board of Directors

- On May 24, 2016, the Corporation announced it had reduced the size of the Board from seven to five, and that Mr. Monroe and Mr. Wolkin would resign from the Board.
- On November 10, 2016, the Corporation appointed Mr. Day to the Board replacing Mr. Bracken.

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[2] On August 16, 2019, Corporation acquired 100% of the equity of Delmar, an agricultural processing and supply chain company with four primary business lines: Grain origination and merchandizing, soybean crush, birdfeed production and sales, and agricultural seed production and distribution.

Sale of Assets

On August 16, 2017, the Corporation closed on the sale of its Buffalo facility for gross proceeds of $103 thousand. On September 19, 2017, the corporation closed on a disposition of Duluth (Lakeport) realizing a loss of $166 thousand.

On April 30, 2018, the Corporation formed Savage Riverport, LLC, a joint venture in which the Corporation has joint control and a 50% ownership interest. The Corporation transferred the grain elevator and related assets at its Savage, Minnesota facility, which had a net book value of $9.4 million as at April 30, 2018, to the newly formed entity. Subsequent to the transaction, Ceres received cash of $8.5 million from Consolidated Grain and Barge Co. in exchange for 50% of the equity in Savage Riverport, LLC, of which $2 million was utilized to pay down the term debt. The sale of the equity in Savage Riverport, LLC net of transaction fees resulted in an immediately recognized gain of $3.7 million. The Corporation will recognize the remaining gain of $3.8 million over the useful life of the contributed assets. Savage Riverport, LLC is principally engaged in grain storage and handling.

On January 10, 2019, Ceres closed on the sale of its previously idled Calumet facility (Minneapolis, Minnesota), recognizing a gain of $697 thousand.

Debt Financing[3]

On December 30, 2016, the Corporation amended and extended its syndicated uncommitted $67.5 million 364-day revolving credit agreement with Macquarie Bank Ltd. The short-term obligation is guaranteed by Ceres US Holding Corp., Ceres Global Ag Corp., and Riverland Ag, Corp. The credit agreement is subject to borrowing base limitations, and the revolver is secured predominantly by all assets of the Corporation, including cash but excluding other property, plant and equipment. Borrowings bear interest at 3.875% plus overnight LIBOR. Interest is calculated and paid on a monthly basis. Amounts under the credit agreement that remain undrawn are not subject to a commitment.

On December 28, 2017, the Corporation amended its uncommitted credit facility (the "**Credit Facility**"), which expired on December 27, 2018. The maximum borrowings under the revolving facility are $67.5 million. Borrowings bear an interest rate of overnight LIBOR plus 3.875% per annum, and interest is calculated and paid on a monthly basis. The Credit Facility is subject to borrowing base limitations. Amounts under the Credit Facility that remain undrawn are not subject to a commitment fee.

On November 15, 2018, the Corporation entered into a $20.0 million term loan agreement with Bixby Bridge Fund IV, LLC ("**Bixby Loan**"). A portion of the proceeds of the Bixby Loan were used to repay all amounts outstanding under the Corporation's senior secured term loan facility agreement with Macquarie Bank Ltd. The Bixby Loan is secured primarily by mortgages on Ceres' elevator facilities, including one in Northgate, SK, one in Duluth, MN and two in Minneapolis, MN. The Bixby Loan is for a term of 4 years with annual principal payments of $5.0 million due November 15, 2019, November 15, 2020, November 15, 2021 and November 15, 2022. Pursuant to the agreed upon conditions of the Bixby Loan, Ceres may, at its discretion, repay the balance of the loan at any time subject to typical notice requirements. The Bixby Loan has an annual interest rate of 5.25% plus one-month LIBOR. The Bixby Loan has certain covenants pertaining to the accounts of the Corporation, as at June 30, 2019, the Corporation was in compliance with all covenants.

On February 14, 2019, the Corporation entered into a fourth amended and restated credit agreement led by Macquarie Bank Ltd., as administrative agent on behalf of a syndicate group of lenders which includes Bank of Montreal and Cooperatieve Rabo Bank U.A. (the "**New Credit Facility**"). The New Credit Facility

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[3] On August 16, 2019, the Bixby Loan and New Credit Facility were amended in conjunction with the acquisition of Delmar. The Bixby Loan was amended to increase the amount of the loan by $15 million to a total of $35 million. The payment schedule was amended such that the Corporation will pay $5 million on November 15, 2020, $5 million on November 15, 2021, and the remaining $20 million is due on November 15, 2022. Additionally, the annual interest rate increased to 6.00% plus one-month LIBOR.

increases the amount available to Ceres from $67.5 million to $80 million, with the potential to access an accordion feature that would provide an additional $20 million. The New Credit Facility matures on February 13, 2020. The interest rate under the New Credit Facility reflects a reduction of 50 basis points from Ceres' prior revolving facility and borrowings bear an annual interest rate of 3.375% plus overnight LIBOR, and interest is calculated and paid on a monthly basis. The New Credit Facility is subject to borrowing base limitations. Amounts under the New Credit Facility that remain undrawn are not subject to a commitment fee. The New Credit Facility has certain covenants pertaining to the accounts of the Corporation, as at June 30, 2019, the Corporation was in compliance with all covenants.

DESCRIPTION OF THE BUSINESS

The Corporation

Through Ceres' network of commodity logistics centers and team of industry experts, Ceres procures and provides North American agricultural commodities and value-added products, industrial products, fertilizer, energy products and reliable supply chain services to customers worldwide.

Ceres operates six locations: Duluth, Minnesota; Minneapolis, Minnesota; Shakopee, Minnesota; Northgate, Saskatchewan; Port Colborne, Ontario; and Savage, Minnesota (Savage Riverport) and is headquartered in Minneapolis, MN. Its facilities throughout North America have an aggregate grain and oilseed storage capacity of approximately 29.7 million bushels.[4]

Ceres has a 50% interest in Savage Riverport, a joint venture with Consolidated Grain and Barge Co., a 50% interest in interest in Gateway Energy Terminal, a joint venture with Steel Reef Infrastructure Corp., a 25% interest in SSR a short-line railway located in southeast Saskatchewan with a range of 130 kilometers, and a 17% interest in Canterra Seed Holdings Ltd., a Canadian-based seed development company.

Grain Division

The Corporation's Grain Division is engaged in procurement and merchandising of specialty grains and oilseeds such as hard red spring wheat, durum wheat, oats, barley, rye, canola and pulses through six grain storage and handling facilities in Minnesota, Saskatchewan and Ontario. Two of the grain storage facilities are located at deep-water ports in the Great Lakes allowing access to vessels, and another facility is located on the Minnesota River with capacity to load barges for shipment down the Mississippi River to export terminals in New Orleans, combining to provide Ceres with efficient access to export and import flows of our core grains and oilseeds to global markets. Approximately 24.8 million bushels of the Corporation's facilities are "regular" for delivery for both spring wheat against the Minneapolis Grain Exchange futures contract and oats against the Chicago Board of Trade futures contract. In addition, spring wheat and oats sourced by the Corporation out of Canada are eligible for delivery against respective futures contracts.

In 2014, the Corporation commenced its operations at the NLC as an approximately CAD $100 million state-of-the-art grain, oil, natural gas liquids and fertilizer terminal. As part of its grain operations, the Corporation contracts grain and oilseed purchases from Western Canadian producers that are delivered by truck and unloaded at Northgate's grain elevator. Ceres has the option of storing the grain on-site, loading it into outbound railcars to end-users, or shipping it to the Corporation's other facilities to take advantage of the value and strategic location of its current asset base. The Corporation determines which of the its facilities is to be utilized for the storage or throughput of a particular grain shipment based on the source of the grain shipment, the elevator location relative to the end customers, the cost of logistics to transport the grain, and the availability of space in the intended elevator.

Supply Chain Services

The Supply Chain Services Division utilizes the Corporation's facilities to provide logistics services, storage, and transloading for commodities and industrial products. Ceres' key asset in its supply chain services division is the NLC. Northgate sits on approximately 1,300 acres of land in Northgate, Saskatchewan, and is designed to utilize two rail loops, each capable of handling unit trains of up to 120 railcars and three ladder tracks capable of handling up to 245 railcars. Northgate is capable of handling numerous commodities and is connected to the Burlington Northern Santa Fe Railway ("**BNSF**").

In April 2015, the Corporation entered into an agreement with Elbow River Marketing ("**ERM**"), a wholly owned subsidiary of Parkland Fuel Corporation, to transload propane at Northgate, which was assigned to

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[4] With the acquisition of Delmar on August 16, 2019, the Corporation acquired seven facilities throughout Manitoba which increases Ceres' total bushel capacity to 30.8 million.

the Gateway Energy Terminal as of July 1, 2019. This provides a direct link and an added access point for propane to enter the US and Mexico markets.

In November 2015, Ceres entered into an agreement with Koch Fertilizer Canada, ULC for the storage and handling of dry fertilizer products which brings fertilizer from the US to Northgate. At Northgate, Ceres unloads and warehouses fertilizer in a state-of-the art, 26,000-ton fertilizer storage terminal. The fertilizer is loaded out by Ceres into trucks and distributed to Canadian retailers. The fertilizer operation commenced on April 30, 2017.

The Corporation continues to expand products transloaded at the Northgate facility including but not limited to barite, bentonite, solvents, drilling pipe, lumber, oriented strand board and magnesium chloride.

Gateway Energy Terminal

In June 2019, the Corporation formed Gateway Energy Terminal joint venture with Steel Reef to exclusively handle the transloading of hydrocarbon products for movement between the US and Canada.

Stewart Southern Railway

Ceres owns a 25% interest in SSR, which owns a 132-kilometre (82-mile) short-line railway that extends from Richardson, Saskatchewan (just southeast of Regina) to Stoughton, Saskatchewan.

Savage Riverport, LLC

Ceres owns a 50% interest in Savage Riverport, a joint venture with Consolidated Grain and Barge Co. Savage Riverport operates a grain handling and storage facility in Savage, MN.

Delmar Commodities, Ltd.

Ceres owns 100% of the equity of Delmar Commodities, Ltd., an agricultural processing and supply chain company with four primary business lines: Grain merchandizing, soybean crush, birdfeed production and sales, and agricultural seed production and sales.

Revenue Sources

The Corporation's revenue is predominantly generated by its Grain Division. The primary sources of revenue are composed of grain storage and handling, as well as grain merchandising and arbitrage. For the financial year ended June 30, 2019, revenue from grain merchandising and arbitrage was $430.1 million, representing 98.1% (2018 - $399.8 million, representing 97.2%) of the total revenue sources, while grain storage, rental and transloading income accounted for $8.3 million, representing 1.9% (2018 - $11.3 million, representing 2.8%) of the revenue sources.

Specialized Skill and Knowledge

The Corporation requires specific skill and knowledge in both its trading and facilities operations. In its trading operation, the Corporation requires and has knowledge and understanding of the global grain markets coupled with an understanding of local North American markets. Ceres employs traders who are focused on each specific major grain that the Corporation handles. With respect to facilities management, the key areas of specific skill are managing product quality control, facility safety and multiple forms of logistics, which include truck, rail and water. The majority of Ceres' staff have been trained at some of the largest grain companies in the world. Facilities staff are regularly updated and trained on best new practices and new regulations for facilities. In addition, with six separate operating locations as of the date of this AIF, the Corporation's risk is diversified and the Corporation has a pool of experienced employees who can back-fill in other locations if issues arise.

Northgate is currently designed to transport grain, fertilizer, oil, natural gas, other energy and industrial products from Saskatchewan to North Dakota, and vice versa. It is linked to the BNSF rail system in the

United States. Northgate is designed to include grain storage and handling facilities to service its customers in Western Canada.

Suppliers

Food grains, such as oats, wheat and barley, are often purchased from dealers, including those in Canada, with delivery being made by truck, rail, and vessel. The purchases are typically contracted with delivery to occur within a few months of purchase depending on transportation scheduling. The Corporation has no long-term supply agreements, although most of its customers are repeat customers. Its supplier base includes major North American grain companies and farmers.

Seasonality

The Corporation can take advantage of merchandising opportunities throughout the year. As a commercial grain storage company, seasonality does not materially affect the Corporation's operations in the same way as a traditional grain handler that is focused on inventory turns and the annual harvest of crops; however, in certain years the Corporation may have fewer inventory positions in the summer months in order to take advantage of harvests in the subsequent months.

Economic Dependence

Through Riverland Ag, Ceres has approximately 170 customers throughout the United States, Canada, and portions of Europe. During the year ended June 30, 2019, the Corporation's largest customer compromised approximately 11.1% of total revenues. The largest 20 customers accounted for 85.3% of total revenue, with a majority being large domestic or international grain processing companies. The Corporation has neither long-term supply agreements with any supplier nor any long-term sales agreements with any customers.

Environmental Protection

The Corporation is subject to compliance with various environmental protection requirements but none are out of the ordinary for the industry. See "Risk Factors".

Northgate is subject to federal, provincial, municipal and local environmental laws and regulations in Canada. These regulations are related to among other things, emissions, discharges into waters, the generation, handling, storage transportation, treatment and disposal of waste, hazardous substances and other materials, and soil and groundwater contamination.

Employees

As at June 30, 2019, the Corporation had a total of 132 employees. Employees operate across North America with offices in Minneapolis, MN, and Northgate, SK, as well as operations in all elevator locations. In the Corporation's Duluth elevator location, there are 14 employees that are covered by a collective bargaining agreement. As of the date herein, the Corporation renegotiated a new agreement, which extends the collective bargaining agreement to August 2023. There are currently no labor relations issues.

Foreign Operations

Riverland Ag operates in the United States. As at June 30, 2019, Riverland Ag operated grain elevators in Minnesota (Duluth, Savage, Minneapolis, and Shakopee).

Location[1]	Storage Capacity (000 Bu)[3]	Transportation	Construction	Deliverable
Duluth, MN	12,158	Vessel, Truck, RR-CP	Vessel Berth Concrete Loader	MGEX, CBOT
Savage, MN[2]	4,638	UP, TCWR	Barge Slip Concrete	MGEX, CBOT
Malt One, MN	4,608	Truck, RR- BNSP	Concrete/Steel	MGEX, CBOT
Shakopee, MN	3,380	Truck, RR- UP	Concrete/Steel	MGEX, CBOT
Total	**24,784**			

Note:

(1) As at June 30, 2019, the Buffalo, Lakeport, and Calumet facilities were disposed of. The Buffalo facility was sold on August 16, 2017. The Duluth Lake Port facility was sold on September 19, 2017. The Calumet facility was sold on January 10, 2019.

(2) On April 30, 2018, the Corporation contributed its Savage, MN location to Savage Riverport, LLC, a 50% ownership joint venture with CGB. Ceres continues to operate the facility on behalf of Savage Riverport, LLC.

(3) Savage, MN storage capacity reflects Ceres proportionate share, 50%, of the total elevator storage capacity.

RISK FACTORS

An investment in the securities of the Corporation is speculative and involves a number of risks. In addition to the other information contained in this AIF and the risks outlined in the Corporation's other public filings, the following risk factors should be considered carefully. The events arising from these risks could materially adversely affect the Corporation's business, financial condition, revenues, profitability or prospects. The following information pertains to the outlook and conditions currently known to the Corporation that could have a material impact on the financial condition of the Corporation. Additional risks not currently known to the Corporation or which are deemed to be immaterial may also impair the business operations, financial condition or prospects of the Corporation.

General

Regulatory Change

The Corporation may be affected by changes in regulatory requirements, customs, duties or other taxes. Such changes could, depending on their nature, benefit or adversely affect the Corporation. Rail operations in Canada are subject to (i) economic regulation by the Canadian Transportation Agency under the *Canada Transportation Act*, and (ii) safety regulation by the Federal Minister of Transport under the *Railway Safety Act* and certain other statutes. No assurance can be given that any current or future legislative action by the federal government or other future government initiatives will not materially adversely affect the Corporation's development and future operating results of the Corporation.

General Economic, Political and Market Conditions

The success of the Corporation's activities may be affected by general economic, political and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Corporation's agricultural assets. Unexpected volatility or illiquidity could impair the Corporation's profitability or result in losses.

Market Price of the Common Shares May Be Adversely Affected by Factors beyond the Corporation's Control

The market price of the Common Shares is expected to be based on the results of operations of the Corporation as reflected in its financial statements. The market price of the Common Shares will likely also be affected by macroeconomic developments in North America and globally and by market perceptions of the attractiveness of particular industries. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Common Shares include the following: the extent of analyst coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow the Corporation's securities; the reduction in trading volume and general market interest in the Corporation's securities may affect an investor's ability to trade significant numbers of Common Shares; and the size of the Corporation's public float may limit the ability of some institutions to invest in the Corporation's securities.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The Corporation's Ability to Attract and Retain Senior Management and Key Employees

The Corporation's executives and other senior officers play a significant role in its success. The conduct of the Corporation's business and the execution of its growth strategy rely heavily on teamwork, and the Corporation's future performance and development depend, to a significant extent, on the abilities, experience and efforts of its management team. The Corporation's ability to retain its management team or attract suitable replacements, should key members of the management team leave, is dependent on the competitive nature of the employment market. The loss of services from key members of the management team or a limitation in their availability could adversely impact the Corporation's prospects, financial condition and cash flow. The Corporation's success also depends largely upon its continuing ability to attract, develop and retain skilled employees to meet its needs from time to time. Competition for skilled employees in certain geographical areas in which the Corporation operates can be significant and the Corporation may not be successful in attracting, retaining or developing such skilled employees. In addition, the Corporation invests significant time and expense in training its employees, which increases their value to competitors who may seek to recruit them.

Indebtedness

The Corporation's existing indebtedness is described under "Development of the Business – Three Year History – Debt Financing". Debt obligations may be incurred by the Corporation in the future, specifically with respect to financing further business opportunities. The Corporation's present indebtedness and any additional debt it may incur in the future could have negative consequences on its business, should operating cash flows be insufficient to cover debt service, which would adversely affect the Corporation's operations and liquidity.

Currency Risk

The Corporation's primary subsidiary, Riverland Ag, operates in United States dollars, being its reporting and functional currency. Riverland Ag does not hold material assets nor have material liabilities denominated in currencies other than United States dollars. Therefore, it is not directly exposed to currency risk in its normal operations.

A significant shift of the value of the Canadian dollar against the US dollar could impact the Corporation's profits. As the Corporation has cross-border operations, it may earn revenues and incur expenses in both US dollars and Canadian dollars. Changes in the exchange rate between the Canadian dollar and US dollar may make the products whose transportation between Canada and the United States more or less competitive in the world marketplace and thereby may adversely affect the Corporation's revenues and expenses.

Counterparty Risk

The Grain Division uses various grain contracts as part of its overall grain merchandising strategies. Performance on these contracts is dependent on delivery of the grain or a customer buy-out. There is counterparty risk associated with non-performance, which may have the potential of creating losses for the Corporation.

Risks related to the Delmar Acquisition

There can be no assurance that the integration of Delmar will be implemented successfully or that Ceres will realize the anticipated financial, operational and other synergies relating to the acquisition of Delmar. Potential risks may include: the difficulty of assimilating the operations and personnel of Delmar; the potential disruption of the Corporation's ongoing business; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with the acquisition, including tax, environmental or other liabilities. As a result, there can be no assurance that the acquisition of Delmar will ultimately benefit Ceres.

Risks Related to Commodity Markets

Commodity risk is inherent in the nature of the Corporation's Grain Division, as it enters into commitments involving a degree of speculative risk. To reduce risk that might be caused by commodity market fluctuations, the Corporation generally follows a policy of using exchange-traded futures and options contracts to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. It would also use exchange-traded futures and options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly influenced by factors such as the volatility of the relationship between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, and volatility of freight markets.

Commodity Prices

Prices of agricultural commodities are influenced by a variety of regional and global factors that are beyond the control of any company in which the Corporation may invest its assets. These include various economic and weather-related conditions; governmental regulation and initiatives, including domestic and foreign farm programs and policies, trade subsidies, sanctions and barriers; outbreaks of crop diseases or insect infestations; and many other factors.

The Corporation also has exposure to commodity prices where there is a decline in the price of the particular agricultural commodity between the time of purchase and the time of sale by the Corporation. While the Corporation may take steps to hedge this exposure, there are limitations, such as the size of forward contracts, and also the lack of a regulated futures market for any specialty crops purchased by the Corporation.

Lower or fluctuating commodity prices may have a material adverse effect on the Corporation's financial results, business prospects and financial condition.

Adverse Weather Conditions

Adverse weather conditions represent a very significant operating risk affecting the agricultural industry. Weather conditions affect the types of crops grown, the quality and quantity of grain production and the levels of farm inputs which, in turn, affect sales mix, grain handling volumes and the level of agricultural product sales. Adverse weather conditions, such as drought or excessive rains, can result in reduced crop production and, in turn, reduced grain handling and marketing volumes. A reduction in grain handling and/or crop input sales because of adverse weather conditions can have a material adverse effect on the Corporation's financial results and financial condition.

Employee Relations and Collective Bargaining Agreements

There can be no assurance that labor difficulties will not arise at one or more of the companies in which the Corporation has invested or in any company upon which there is a dependence on transportation or other services. Typically, companies in the agricultural and related sectors are subject to, among other things, stringent and comprehensive labor laws and regulations in the jurisdictions in which they operate. Such laws and regulations may become more stringent and comprehensive, and may result in modifications to facilities or practices that could involve significant additional costs.

Environmental, Health and Safety Risks

The Corporation's exposure to safety, health and environmental risk relates primarily to the possibility that a serious safety or environmental incident could occur at one of its operating facilities. Even with precautions taken, there is still a risk to the Corporation that a serious safety or environmental incident may occur, resulting in a material adverse effect on the Corporation's financial results, business prospects and financial conditions.

In conducting business, agricultural companies must comply with various federal, provincial and municipal environmental laws and regulations. Although a company in which the Corporation invests may be in substantial compliance in all material respects, circumstances may arise in the future that cause this not to be true. New or amended environmental laws and regulations may require future expenditures by such a company to install environmental control equipment, modify operations or proceed with remediation of certain sites. Failure to comply could potentially subject such company to fines and/or penalties. There can be no assurance that it will not experience difficulties in its efforts to comply with such laws and regulations in future years, or that the costs associated with continued compliance efforts will not have a material adverse effect on such company's financial results, business prospects and financial condition.

As well, certain agricultural companies in which the Corporation may invest, may have potential environmental, health and safety risks because of the transportation, storage and handling of certain hazardous substances such as certain crop protection products and fertilizers. The presence or release of hazardous substances could lead to claims by third parties as a result of the release of such substances and potentially could have a material adverse effect on a company's financial results, business prospects and financial condition.

Governmental Regulations

Agricultural operations are typically governed by a broad range of federal, state, provincial and local environmental, health and safety laws and regulations, permits, approvals, common law and other requirements that impose obligations relating to, among other things: worker health and safety; the release of substances into the natural environment; the production, processing, preparation, handling, storage, transportation, disposal, and management of substances (including liquid and solid, non-hazardous and hazardous wastes and hazardous materials); and the prevention and remediation of environmental impacts such as the contamination of soil and water (including groundwater). Failure by a company to comply with applicable laws, rules, regulations and policies may subject such company to civil or regulatory proceedings, including fines, injunctions, administrative orders or seizures, and may have a material adverse effect on such company's financial condition and operations. Also, as a result of the above environmental liability (including potential civil actions, compliance or remediation orders, fines and other penalties), including with respect to the disposal of waste and the ownership, management, control or use of transport vehicles and farmland, future discovery of previously unknown environmental issues, including contamination of property underlying or in the vicinity of a company's present or former properties or manufacturing facilities, could require such company to incur material unforeseen expenses. All of these risks and related potential expenses may have a material adverse effect on such company's financial condition and results of operations. These risks apply to the Corporation and its business.

Risks Associated with Cross Border Trade

Markets in Canada, the United States and other countries may be affected from time to time by trade rulings and the imposition of customs, duties and other tariffs. There can be no assurance that the financial condition and results of operations of the Corporation will not be materially adversely affected by trade rulings and the imposition of customs, duties or other tariffs in the future.

Government Regulation and Border Protection

In the United States, safety matters related to security are overseen by the Transportation Security Administration, which is part of the US Department of Homeland Security ("**DHS**") and the Pipeline and Hazardous Materials Safety Administration, which, like the Federal Railroad Administration, is part of the US Department of Transportation. Border security falls under the jurisdiction of US Customs and Border protection ("**CBP**"), which is part of the DHS. In Canada, the Corporation is subject to regulation by the Canada Border Services Agency ("**CBSA**"). More specifically, the Corporation is subject to CBP's Customs-Trade Partnership Against Terrorism and regulations imposed by the CBP requiring advance notification by all modes of transportation for all shipments into the US. The CBSA is also working on similar requirements for Canada-bound traffic. The Corporation is also subject to an agricultural quarantine and inspection user fee for all traffic entering the United States from Canada.

Personal Injury and Other Claims

In the normal course of business, the Corporation may become involved in various legal actions seeking compensatory and occasionally punitive damages, including actions brought on behalf of various purported classes of claimants and claims relating to employee and third-party personal injuries, occupational disease, and property damage, arising out of harm to individuals or property allegedly caused by, but not limited to, accidents relating to the Corporation. The final outcome with respect to actions outstanding or pending, or with respect to future claims, may not be predicted with certainty, and therefore there can be no assurance that their resolution will not have a material adverse effect on the Corporation's results of operations, financial position or liquidity, in a particular quarter or fiscal year.

Economic Conditions

The Corporation is susceptible to changes in the economic conditions of the industries and geographic areas that produce and consume the freight it stores or transports or the supplies it requires to operate. In addition, many of the goods and commodities stored or carried by the Corporation experience cyclicality in demand. Some of the bulk commodities may move offshore and be affected more by global rather than North American economic conditions. Adverse North American and global economic conditions, or economic or industrial restructuring, that affect the producers and consumers of commodities the Corporation carries, including customer insolvency, may have a material adverse effect on the Corporation's results of operations, financial position, or liquidity.

Food Product and Safety Risk

The Corporation is subject to potential liabilities connected to food and feed safety and product handling as the Corporation could be vulnerable in the event of a significant outbreak of food-borne illness or increased public health concerns in connection with certain food products. This could have a material adverse effect on the Corporation's financial results, business prospects and financial condition.

Transportation Network Disruptions and Reliance on Third-Party Providers

Due to the integrated nature of the North American freight transportation infrastructure, the Corporation's operations may be negatively affected by service disruptions of other transportation links such as trucks, ports or railroads which interchange with the Corporation. The Corporation may rely on railroad, trucking, shipping and other transportation service providers to transport products which it handles to and from its facilities. These transportation operations, equipment and services are subject to various hazards, including adverse operating conditions on any aforementioned waterways, extreme weather conditions, system failures, work stoppages, delays, accidents such as spills and derailments and other accidents and operating hazards.

In the event of a disruption of existing transportation methods for products handled by the Corporation, alternative transportation and facilities may not have sufficient capacity to fully serve all of the Corporation's customers or facilities. An extended interruption in the delivery of its products to the Corporation's customers could have a material adverse effect on its business, financial condition or results of operations. Furthermore, deterioration in the cooperative relationships with these third parties could directly affect the Corporation's long-term operations.

These transportation operations, equipment and services are also subject to environmental, safety, and regulatory oversight. Due to concerns related to accidents, terrorism or increasing concerns regarding transportation of potentially hazardous substances, local, state, provincial and federal governments could implement new regulations affecting the transportation of the Corporation's products.

If transportation of products handled by the Corporation is delayed or it is unable to obtain products as a result of any third-party's failure to operate properly or the other hazards described above, or if new and more stringent regulatory requirements are implemented affecting transportation operations or equipment, or if there are significant increases in the cost of these services or equipment, the Corporation's revenues and cost of operations could be adversely affected. In addition, increases in the Corporation's transportation costs, or changes in such costs relative to transportation costs incurred by our competitors, could have a material adverse effect on the Corporation's business, financial condition, results of operations and cash flow.

Potential Acts of Terrorism and Regulations to Combat Terrorism

Similar to other companies with major industrial facilities, the Corporation's facilities may be targets of terrorist activities. The Corporation's facilities may store materials that can be dangerous if mishandled. Any damage to infrastructure facilities, such as electric generation, transmission and distribution facilities, or injury to employees, who could be direct targets or indirect casualties of an act of terrorism, may affect the Corporation's operations. Any disruption of the Corporation's ability to produce or distribute its products could result in a significant decrease in revenues and significant additional costs to replace, repair or insure our assets, which could have a material adverse impact on its business, financial condition, results of operations and cash flow.

In addition, due to concerns related to terrorism, local, state, provincial, federal and foreign governments could implement new regulations impacting the security of the Corporation's facilities or other related facilities and infrastructure. These regulations could result in higher operating costs or limitations on the Corporation and could result in significant unanticipated costs, lower revenues and reduced profit margins.

DIVIDENDS

The Corporation has not paid any dividends or distributions on its outstanding Common Shares for each of the three most recently completed financial years. As of the date hereof, the Board has no intention to change its dividend policy but may, from time to time and on the basis of the Corporation's financial performance and other relevant factors, consider paying dividends in its discretion.

DESCRIPTION OF SHARE CAPITAL

The following is a summary of the material attributes and characteristics of the share capital of the Corporation. The following summary does not purport to be complete and reference is made to the Corporation's articles of incorporation and articles of amendment for a complete description of these securities and the full text of their provisions.

Authorized Capital

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value. As at the date hereof, the issued and outstanding securities of the Corporation consists of 27,934,991 Common Shares.

Common Shares

Each Common Share entitles the holder thereof to receive notice of any meetings of shareholders of the Corporation, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a *pro rata* basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Corporation are entitled to receive on a *pro rata* basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a *pro rata* basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Deferred Share Unit Plan

Effective January 1, 2014, the Corporation adopted a Directors' Deferred Share Unit Plan (the "**DDSU Plan**"), whereby deferred share units ("**DSUs**") are issued to eligible directors, in lieu of cash, for a portion of the directors' fees otherwise payable to the directors. The fair market value of the DSUs on the date such units are calculated and issued represents the volume-weighted average trading price of the Common

Shares for the five trading days immediately preceding the date of issuance of the DSUs. Each DSU entitles the director to receive payment after the end of the director's term in the form of Common Shares.

Effective September 29, 2016, the Board amended the DDSU Plan to (i) authorize the Board, in its sole discretion, to issue Common Shares to directors in lieu of all or a portion of the annual cash remuneration payable to eligible directors in respect of services provided by such eligible directors to the Corporation, (ii) increase the aggregate number of Common Shares issuable under the DDSU plan from 450,000 to 600,000 Common Shares and (iii) rename the plan the Directors' Share and Deferred Share Unit Plan (the "**DSU Plan**").

On September 21, 2017, the Board amended the DSU Plan to increase the maximum aggregate amount of DSUs and matching DSUs issuable under the plan from C$100,000 to C$150,000 per eligible director annually.

As at June 30, 2019, 357,030 DSUs had been granted, each having a fair market value as at that date of C$4.04.

Stock Options and Stock Appreciation Right

The Corporation has in place a stock option plan (the "**Options Plan**"), which was amended and restated at the Corporation's annual and special meeting held on August 6, 2015. The Options Plan is available to certain officers, key employees and consultants of the Corporation and its subsidiaries. The purpose of the Options Plan is to attract, retain and motivate certain officers, key employees and consultants by providing them with the opportunity, through options and other equity incentives, to acquire an ownership interest in the Corporation and to benefit from an increase in the value of the Common Shares.

The Options Plan is administered by the Board, which shall determine (among other things) those officers, key employees and consultants who may be granted awards and the terms and conditions of any award to any such participant. The exercise price of the options shall be fixed by the Board and shall be no less than 100% of the market price on the effective date of the award of the options, which may be granted for a term not exceeding ten years. The maximum number of Common Shares reserved for issuance upon the exercise of options cannot exceed 10% of the total number of Common Shares issued and outstanding less the number of Common Shares reserved for issuance under the DSU Plan.

The Options Plan also provides for the Board to grant Stock Appreciation Rights ("**SARs**") to certain officers, key employees and consultants of the Corporation. Stand-alone SARs granted under the Options Plan shall become vested at such times, in such installments and subject to the terms and conditions of the Options Plan (including satisfaction of certain performance criteria and/or continued employment) as may be determined by the Board. The base price for each Common Share subject to a stand-alone SAR shall not be less than 100% of the market price of a Common Share on the effective date of the award of such stand-alone SAR. Tandem SARs may be granted at or after the effective date of the related award of options, and each Tandem SAR shall be subject to the same terms and conditions and denominated in the same currency as the option to which it relates and the additional terms and conditions under the Options Plan. Tandem SARs may be exercised only if and to the extent the options related thereto are then vested and exercisable. On exercise of a Tandem SAR, the related option shall be cancelled and the participant shall be entitled to an amount in settlement of such Tandem SAR calculated and in such form as provided by the Options Plan.

On May 10, 2018, the Board authorized an amendment to all issued and outstanding options to add a Tandem SAR grant and revised vesting schedule. As at June 30, 2019, 1,830,387 Tandem SARs were issued and outstanding under the Options Plan and as at that date had a weighted-average exercise price of C$5.17. Of those Tandem SARs, 1,197,387 were exercisable and had a weighted-average exercise price of C$5.69.

Employee Share Purchase Plan

The Ceres Global Ag Corp. Employee Share Purchase Plan (the "**ESPP**") was approved by the shareholders at the Corporation's annual and special meeting held on September 29, 2014 and provided for the purchase of Common Shares through the issuance of new shares by the Corporation. On June 15, 2015, the Board approved certain amendments to the ESPP, including amendments to provide that Common Shares purchased through the ESPP would be purchased in the market from already outstanding Common Shares. All directors of the Corporation, excluding non-executive directors, and all officers and employees of the Corporation who have been continuously employed by the Corporation for at least six consecutive months are eligible to participate in the ESPP. Under the terms of the ESPP, the Corporation will make a matching contribution of 50% of each participant's contribution which is held in trust by the Corporation up to a maximum of C$2,500 per year. The Common Shares purchased under the ESPP using the Corporation's matching contribution will vest in three equal tranches on the issue date, the first anniversary of the issue date and the second anniversary of the issue date.

Prior to the applicable vesting date, unvested Common Shares issued to a participant may not be sold, transferred or otherwise disposed of by the participant other than pursuant to a *bona fide* third-party takeover bid made to all shareholders of the Corporation or a similar acquisition transaction, provided that, if the takeover bid or acquisition transaction is not completed, any unvested Common Shares held by a participant immediately prior to such takeover bid or acquisition transaction will remain subject to the original terms of vesting and applicable vesting date. The participant will not have the right to receive any cash dividends or other cash distributions declared and paid by the Corporation in respect of the Common Shares until the applicable vesting date for the unvested Common Shares. All such cash dividends or other cash distributions will be held in trust on the participant's behalf by the administrative agent for the ESPP until the applicable vesting date of the participant's unvested Common Shares.

In the event that a participant ceases to be eligible for participation in the ESPP by virtue of the termination of service with the Corporation for any reason, whether voluntary or involuntary, or in the event of the death of the participant while participating in the ESPP, all unvested Common Shares and all related cash dividends or other cash distributions held in trust by the administrative agent will be immediately forfeited. All unvested Common Shares and all related cash dividends or other cash distributions held in trust by the administrative agent that are forfeited by a participant will offset the Corporation's contributions required to be made by the Corporation subsequent to the date of such forfeiture.

On May 10, 2018, the Board approved certain amendments to the ESPP, including an amendment to provide that the Chief Executive Officer of the Corporation may, in his or her absolute discretion, waive any vesting conditions applicable to the unvested Common Shares held by a participant or declare any previously vested Common Shares to be unvested. Additionally, the plan was amended to make the Corporation's contributions equal to 100% of that portion of the participant's, provided that the aggregate amount of the Corporation's contributions in respect of any participant during any Plan Year (as defined in the ESPP) shall not exceed $2,500.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") and trade under the stock symbol "CRP". The following table sets forth the high and low trading prices in Canadian Dollars and the trading volumes on the TSX on a monthly basis for the most recently completed financial year:

Month	High Price	Low Price	Volume	Average Daily Volume
2019				
June	$4.30	$3.96	18,400	920
May	$4.30	$4.05	30,300	1,377
April	$4.74	$4.31	98,100	4,671
March	$4.69	$4.41	75,200	3,581
February	$4.59	$3.76	62,100	3,268
January	$4.59	$4.21	44,800	2,036
2018				
December	$4.50	$4.01	107,700	5,668
November	$4.34	$4.05	29,800	1,355
October	$4.74	$3.35	113,500	5,159
September	$3.59	$3.07	99,200	5,221
August	$3.99	$3.33	86,200	3,918
July	$3.93	$3.66	41,400	1,971

Prior Sales

The Corporation did not issue any securities that are not listed or quoted on a marketplace in the most recently completed financial year.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

To the knowledge of the Corporation, except as described below, none of the securities of the Corporation are subject to escrow or contractual restrictions on transfer.

Pursuant to the ESPP, Common Shares acquired in connection with the Corporation's matching obligations are subject to restrictions on transfer, until such shares vest in accordance with the terms of the ESPP. For further details see "Description of Share Capital – Employee Share Purchase Plan". Unvested Common Shares are held by the administrator under the ESPP. As at June 30, 2019, the administrator held 4,297 unvested Common Shares pursuant to the ESPP (representing 0.03% of the then issued and outstanding Common Shares).

GOVERNANCE OF THE CORPORATION

Directors and Officers of the Corporation

The following table sets out, for each of the members of the Board and the officers of the Corporation, respectively, the person's name, municipality of residence, position with the Corporation and principal occupation as of the date hereof. Each director will hold office until the next annual general meeting of shareholders of the Corporation, subject to his or her earlier resignation or removal. The table also identifies the members of each committee of the Board and which directors are "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Name and Municipality of Residence	Position with the Corporation	Director Since	Principal Occupation During Preceding Five Years
ROBERT DAY(2) Minneapolis, Minnesota	President and Chief Executive Officer	November 10, 2016	President and CEO of the Corporation; VP of Trading and Risk of the Corporation; Managing Director ED&F Man Asia
HARVEY T. JOEL(1)(3)(4) Toronto, Ontario	Director	September 27, 2013	Supply Chain & Infrastructure Advisor
GARY W. MIZE(1)(2)(3) Klamath Falls, Oregon	Director	September 27, 2013	Partner, MR & Associates
DOUGLAS E. SPEERS(3)(4) Coldwater, Ontario	Chairman of the Board	September 27, 2013	Corporate Director
JAMES T. VANASEK(1) Sydney, New South Wales	Director	November 19, 2013	Principal of VN Capital Management, LLC
KYLE EGBERT Minneapolis, Minnesota	Vice President and Chief Financial Officer (appointed October 1, 2017)	N/A	Vice President of Finance of the Corporation; Global Derivative and Technical Accounting Manager, Royal Dutch Shell
GLEN GOLDMAN Minneapolis, Minnesota	Vice President, General Counsel and Corporate Secretary	N/A	Vice President, General Counsel and Corporate Secretary of the Corporation; Senior Attorney of Cargill, Incorporated.
SARAH BLOMQUIST Minneapolis, Minnesota	Vice President, Human Resources and Corporate Administration	N/A	Vice President of Human Resources and Corporate Administration of the Corporation; Human Resources Director, Minnesota Vikings Football, LLC,

Notes:
(1) Member of the Audit and Finance Committee
(2) Member of the Nominating, Governance, Risk and Ethics Committee
(3) Independent director
(4) Member of the Human Resources, Safety, and Environment Committee

To the best of the Corporation's knowledge based on information furnished by the directors and officers of the Corporation, as a group, the directors and officers of the Corporation beneficially own or exercise control or direction, directly or indirectly, over 12,295,957 Common Shares or approximately 44.0% of the issued and outstanding Common Shares as at June 30, 2019.

The following is a brief biographical description of each of the directors and officers:

Robert Day is President and Chief Executive Officer of the Corporation. Mr. Day joined Ceres on February 24th, 2015 as Vice President of Trading and Risk Management and later served as interim President and CEO of the Corporation. Prior to joining Ceres, Mr. Day worked for Cargill, Inc. (headquartered in Wayzata, MN, USA) from 1993 to 2012 and then ED&F Man (headquartered in London, England) from 2012 to 2015. While at ED&F Man Mr. Day held the position of Managing Director Asia, based in Singapore and also supported the build-out of their capital markets business in the U.S. and Latin America. While at Cargill Mr. Day held the positions of Commercial Director Grain & Oilseed Supply Chain, Greater China & Korea from 2009 to 2012 (Shenzhen & Shanghai, China); Managing Director & Commercial Director, Grain & Oilseed Supply Chain Mexico from 2004 to 2008 (Mexico City), Project Team Leader & Analyst, Cargill Strategy & Business Development from 2000 to 2004 (Wayzata, MN, USA), and a variety of merchandizing and trading roles in the U.S. and Mexico from 1993 to 1999. Mr. Day has an MBA from St. Thomas University in Minneapolis, MN, USA and a B.A. in International Relations from the University of Minnesota.

Kyle Egbert is Vice President and Chief Financial Officer of the Corporation. Mr. Egbert joined the Corporation as the Vice President of Finance in July of 2017. Before joining Ceres, Mr. Egbert was the Global Derivative and Technical Accounting Manager at Royal Dutch Shell where he oversaw the accounting for derivatives across Shell's global trading organization and the technical accounting for the North American energy trading division. Prior to that he worked at PricewaterhouseCoopers in the assurance group where his focus was financial reporting and controls for integrated oil and gas companies. Mr. Egbert holds an MBA from the University of Texas, a Master of Accounting degree from the University of Utah and a B.A. in Accounting from Brigham Young University.

Glen Goldman is Vice President, General Counsel and Corporate Secretary of the Corporation. Mr. Goldman joined the Corporation on May 22, 2018 as Vice President, General Counsel, and Corporate Secretary. Prior to joining Ceres, Glen spent 20 years practicing law at Cargill, Incorporated, one of the world's largest global businesses. While at Cargill, Glen served as senior counsel to a variety of core Cargill businesses, providing strategic legal counseling on a broad array of complex commercial legal matters. Glen began his legal career as an associate in a large Minneapolis law firm, focusing primarily on litigation matters. He holds a J.D. from the University of Minnesota Law School and a BA from Macalester College.

Harvey T. Joel has over 30 years of experience in a range of corporate leadership roles and is currently the Principal of an infrastructure and supply chain advisory company that offers a variety of services to assist clients to build, implement and optimize supply chain, logistics and transportation solutions. From 2003 to 2010, Mr. Joel was Vice President, Logistics for Canadian National Railway. In that role, he led and was accountable for a diverse group of transportation and supply chain services designed to interface with rail and deliver complete supply chain solutions. This group of businesses included warehousing, transloads, bulk commodity distribution terminals, auto handling distribution and access organization facilities, marine terminals, ships, custom brokerage, freight forwarding and truck brokerage. Prior to joining CN, Mr. Joel held a number of Senior Management positions at Norbord Industries including strategic planning, business development, operations improvement, sales, marketing and logistics. Mr. Joel has an MBA and an HBA in Business Administration from the Richard Ivey School of Business.

Gary W. Mize has 32 years of experience running commodity-based trading and processing businesses. During his career, Mr. Mize has held the following corporate leadership roles: Global Chief Operating Officer of Noble Group; President of ConAgra Foods Grain Processing Group, where he managed the complete portfolio of the company's grain processing businesses; President and Chief Executive Officer of ConAgra Malt, the world's largest barley malt processor; and President of Cargill's Worldwide Juice Division. Mr. Mize received a Bachelor of Arts (Business Administration and Marketing) degree from Michigan State University and attended the Advanced Executive Program at Northwestern University. Mr. Mize also serves on the boards of Gevo, a renewable chemical and advanced biofuels company, and Darling Ingredients, a manufacturer of sustainable natural ingredients from edible and inedible bio nutrients.

Douglas E. Speers is Chairman of the Corporation. He is the former acting Chairman and a former Director of Hydro One and also is the former Chairman and Director of Emco Corporation, a leading Canadian distributor of building materials for the residential, commercial, and industrial construction markets. Prior to his appointment as Chairman of Emco Corporation, Mr. Speers was Emco's President and CEO from 1997-2004. Between 1971 and 1988, he held several senior positions with Imperial Oil in Canada and Exxon International in New York City. Mr. Speers is a Professional Engineer-Province of Ontario and is an Emeritus Member of the Advisory Board of the Ivey Business School at Western University. He is Past Chair and Director of the Ivey Services Board and Past Chair of Ivey Business School Alumni Association. He is also Past Chair of the Executive Committee of the Canadian Industry Program for Energy Conservation (a joint Industry-Federal Government Initiative). Mr. Speers holds a B.S.A. from the Ontario Agricultural College-University of Guelph, a B.A.Sc. from the University of Toronto and a M.B.A. from the Ivey Business School.

James T. Vanasek is a Principal at VN Capital Management, LLC, a value-investing firm he co-founded in 2002 which currently has $130 million under management. Prior to forming VN Capital Management, LLC, Mr. Vanasek spent the previous three and a half years working at JPMorgan Chase & Co. Initially, Mr. Vanasek provided restructuring advice during the Asian economic crisis and later focusing on leveraged finance to U.S. and Latin American companies in JPMorgan's Financial Sponsor Coverage and Global Syndicated Finance groups. He is a member of the New York State Bar Association. Mr. Vanasek earned a B.A. degree from Yale University, a J.D. degree from Columbia Law School, and an M.B.A. degree from Columbia Business School.

Committees of the Board of Directors

Audit and Finance Committee

As at June 30, 2019, the Audit and Finance Committee of the Corporation (the "**Audit and Finance Committee**") was comprised of the following members: Mr. Mize (Chair), Mr. Vanasek, and Mr. Joel. The Board has determined that each of the members of the Audit and Finance Committee is independent (except for Jim Vanasek) within the meaning of NI 52-110. The Corporation has relied on the exemption provided by section 3.3 of NI 52-110 from the requirement for Mr. Vanasek to be independent, after the Board determined that Mr. Vanasek is able to exercise impartial judgement necessary to fulfill his responsibilities as a member of the Audit and Finance Committee and that Mr. Vanasek's membership on such committee is required by the best interests of the Corporation and its shareholders. The Board has also determined that each of the members of the Audit and Finance Committee is financially literate. Financial literacy is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. See the biographical descriptions above for the directors of the Corporation for the education and experience of each Audit and Finance Committee member that is relevant to the performance of his or her responsibilities as an Audit and Finance Committee member.

The principal functions of the Audit and Finance Committee are to appoint, compensate and oversee the external auditors; to review and approve the annual financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are submitted to the Board for approval and filed with securities regulatory authorities; to review and approve the interim financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are filed with securities regulatory authorities; to review and approve the adequacy of internal accounting controls and the quality of financial reporting procedures and systems; to examine the presentation and impact of key financial and other significant risks that may be material to the Corporation's financial reporting; to review and approve the risk management corporate policies and oversee the risk management function of the Corporation; and to review and approve the nature and scope of the annual audit and review the results of the external auditors' examination. The Audit and Finance Committee reports its findings with respect to such matters to the Board. The responsibilities and duties of the Audit and Finance Committee are set out in the Audit and Finance Committee's mandate, the full text of which is attached hereto as Appendix 1.

External Auditor Service Fees

During the 2019 and 2018 fiscal periods, the Corporation has paid or accrued the following fees to the Corporation's external auditors for the following fee categories:

Fee Category	2019	2018
Audit Fees	$219,354	$214,991
Audit-Related Fees	nil	nil
Tax Services Fees	nil	nil
Other Fees	nil	nil
Total	$219,354	$214,991

Audit fees include all fees paid to the Corporation's external auditors for the audit of the Corporation's annual financial statements, interim reviews, accounting consultations and other required statutory/regulatory audits and filings of the Corporation.

Audit-related fees include all fees paid to the Corporation's external auditors for audit-related services including the preparation and/or review of certain filings with Canadian securities regulators, including comfort and consent letters.

Tax services fees include all fees paid to the Corporation's external auditors for tax-related advice including tax return preparation and/or review and tax planning advice.

Nominating, Governance, Risk and Ethics Committee

As at June 30, 2019, the Nominating, Governance, Risk and Ethics ("**NGRE**") Committee of the Corporation was comprised of the following members: Mr. Mize (Chair) and Mr. Day. The NGRE Committee is responsible for developing and monitoring the Corporation's system of corporate governance in the context of the applicable rules and regulations promulgated by the Canadian Securities Administrators and the TSX, including reviewing the mandate of the Board and its committees; periodically reviewing and evaluating the performance of all directors, committees and the Board as a whole; recommending the selection of new candidates for board of director memberships, making recommendations to the Board and ensuring that appropriate orientation and education programs are available for new board of director members; establishing procedures to ensure that the Board may meet independently of management of the Corporation; reviewing annually the membership and chairs of all committees of the Board; identifying principal risks of the Corporation's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risk. Mr. Mize is independent and Mr. Day, being President and CEO of the Corporation is not independent. Please see the biographical descriptions of each member of the NGRE Committee above.

Human Resources, Safety, and Environment Committee

As at June 30, 2019, the Human Resource, Safety, and Environment ("**HRSE**") Committee of the Corporation was comprised of the following members: Mr. Joel (Chair) and Mr. Doug Speers. The HRSE Committee is responsible for examining, reviewing and evaluating policies and management systems in the area of safety and environment; review with respect to the Company's strategic initiatives for safety and environmental matters; review significant safety and environmental risks and exposures; considering matters relating to executive compensation, including making recommendations regarding the CEO's compensation and reviewing and approving the compensation of all senior management, other employees reporting directly to the CEO and all other officers appointed by the Board. All members of this committee are independent and non-executive directors of the Corporation. Please see the biographical descriptions of each member of the HRSE Committee above.

Corporate Cease Trade Orders or Bankruptcies

No director, officer or other member of management of the Corporation is, as of the date hereof, or has been, within the ten years prior to the date hereof, a director, officer or other member of management of any company (including a personal holding company of such director, officer or other member of management) that:

(a) while that person was acting in that capacity, was the subject of a cease trade order, a similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was subject to a cease trade order, a similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the director, officer or other member of management of the Corporation ceased to be a director, officer or other member of management of that company and which resulted from an event that occurred while that person was acting in that capacity.

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, as of the date hereof, or has been within the ten years prior to the date hereof, a director, officer or other member of management of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold that issuer's assets.

Penalties or Sanctions and Personal Bankruptcies

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, during the ten years prior to the date hereof, become bankrupt, made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a securities regulatory authority, nor has any such director, officer, other member of management of the Corporation or shareholder been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

Certain of the directors and officers of the Corporation currently, or may in the future, serve as directors and/or officers of other companies or have significant shareholdings in other companies in a similar industry as Ceres and, consequently, there exists the possibility that a conflict may arise between their duties as a director or officer of the Corporation and their duties as a director or officer of any such other company. There can be no assurance that while performing their duties for the Corporation, the directors or officers of the Corporation will not be in situations that could give rise to conflicts of interest. There can be no assurance that these conflicts will be resolved in favour of the Corporation. As a result of any such conflict, the Corporation may miss the opportunity to participate in certain transactions, which may have a material adverse effect on the Corporation.

The directors and officers of the Corporation are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the fact that the Corporation will rely upon such laws in respect of any director's or officer's conflicts of interest or in respect of breaches of duty by any of its directors or officers. All such conflicts must be disclosed by such directors or officers in accordance with the OBCA, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. As at the date hereof, the directors and officers of the Corporation are not aware of any such conflicts of interests.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

On June 12, 2014, The Scoular Company initiated an action in the State of Minnesota in the United States District Court for the District of Minnesota against Ceres for injunctive relief and unspecified damages relating to the development and construction of a grain facility at the NLC. On October 5, 2018, the Corporation settled the lawsuit for $11.3 million, of which $3.1 million was previously accrued, resulting in the recognition of an $8.2 million expense recorded on the Consolidated Statement of Comprehensive Income (Loss) for the year ended June 30, 2019. As of June 30, 2019, the $11.3 million The Scoular Company settlement has been paid in full. Management of the Corporation is not aware of any legal proceedings or regulatory actions outstanding, threatened or pending by or against the Corporation, or any of its subsidiaries, that would be material to a holder of Common Shares or other securities of the Corporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, or any person or company that is a direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% percent of the Common Shares, or any affiliate of such persons or companies, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or will materially affect the Corporation.

REGISTRAR AND TRANSFER AGENT

Pursuant to a registrar and transfer agency agreement dated as of December 13, 2007 and a novation agreement dated as of September 3, 2013, AST Trust Company (formerly Canadian Stock Transfer & Trust Company) at its principal offices in Toronto, Ontario was appointed by the Corporation as the registrar and transfer agent for the Common Shares.

INTERESTS OF EXPERTS

Baker Tilly WM LLP are the auditors of the Corporation and have confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. See "Governance of the Corporation – Committees of the Board of Directors – Audit and Finance Committee – External Auditor Service Fees".

MATERIAL CONTRACTS

The following are the only contracts that may be considered to be material to the Corporation, other than contracts entered into in the ordinary course of business that are not required to be disclosed under applicable securities laws, which were entered into within the most recently completed financial year or prior thereto if still in effect:

- the New Credit Facility, the fourth amended and restated credit agreement dated February 14, 2019, led by Macquarie Bank Limited, as administrative agent on behalf of a syndicate group of lenders which includes Bank of Montreal and Cooperatieve Rabo Bank U.A. The New Credit Facility increases the amount of the revolving facility available to Ceres from $67.5 million to $80 million, with the potential to access an accordion feature that would provide an additional $20 million. The revolving facility matures on February 13, 2020. The interest rate under the New Credit Facility reflects a reduction of 50 basis points from Ceres' prior revolving facility and borrowings bear an annual interest rate of 3.375% plus overnight LIBOR, and interest is calculated and paid on a monthly basis. The New Credit Facility is subject to borrowing base limitations. Amounts under the New Credit Facility that remain undrawn are not subject to a commitment fee. The New Credit Facility has certain covenants pertaining to the accounts of the Corporation. As at and for the year ended June 30, 2019, the Corporation was in compliance with all covenants. As at June 30, 2019, the Corporation had $16.0 million in availability on its revolving credit facility.

- the Bixby Loan, a $20.0 million term loan agreement with Bixby Bridge Fund IV, LLC dated November 15, 2018, which was subsequently amended on June 26, 2019. The loan is secured primarily by mortgages on Ceres' elevator facilities, including; one in Northgate, SK, one in Duluth, MN and two in Minneapolis, MN. This loan is for a term of 4 years with annual principal payments of $5.0 million due November 15, 2019; November 15, 2020; November 15, 2021; and November 15, 2022. Pursuant to the agreed upon conditions of the Bixby Loan, Ceres may, at its discretion, repay the balance of the loan at any time subject to typical notice requirements. This loan has an annual interest rate of 5.25% plus one-month LIBOR.[5]

ADDITIONAL INFORMATION

Additional financial information about the Corporation is provided in the Corporation's annual and interim financial statements and management discussion and analysis (MD&A) for its most recently completed financial year. You may obtain a copy of these documents at no cost by contacting the Corporation at 701 Xenia Ave S., Minneapolis, Minnesota, 55416 or by e-mailing the Corporation at info@ceresglobalag.com or by accessing the Corporation's website at www.ceresglobalagcorp.com. Information contained on the Corporation's website is not part of this AIF and is not incorporated by reference herein.

Additional information, including directors' and officers' remuneration and indebtedness, if any, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Corporation's management information circular for its most recent annual meeting of shareholders that involved the election of directors.

These documents and other information relating to the Corporation may be found on the website of the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

[5] On August 16, 2019, the Bixby Loan and New Credit Facility were amended in conjunction with the acquisition of Delmar. The Bixby Loan was amended to increase the amount of the loan by $15 million to a total of $35 million. The payment schedule was amended such that the Corporation will pay $5 million on November 15, 2020, $5 million on November 15, 2021, and the remaining $20 million is due on November 15, 2022. Additionally, the annual interest rate increased to 6.00% plus one-month LIBOR.

APPENDIX 1

CERES GLOBAL AG CORP.

AUDIT AND FINANCE COMMITTEE MANDATE

1. General

The Board of Directors (the "Board") of Ceres Global Ag Corp. (the "Corporation") has delegated the responsibilities, authorities and duties described below to the Audit and Finance Committee (the "Audit and Finance Committee").

The principal functions of the Audit and Finance Committee are to appoint, compensate and oversee the external auditors; to review and approve the annual financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are submitted to the Board for approval and filed with securities regulatory authorities; to review and approve the interim financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are filed with securities regulatory authorities; to review and approve the adequacy of internal accounting controls and the quality of financial reporting procedures and systems; to examine the presentation and impact of key financial and other significant risks that may be material to the Corporation's financial reporting; to review and approve the risk management corporate policies and oversee the risk management function of the Corporation; and to review and approve the nature and scope of the annual audit and review the results of the external auditors' examination. The Audit and Finance Committee reports its findings with respect to such matters to the Board. In so doing, the Audit and Finance Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements.

2. Members

The Audit and Finance Committee shall be composed of a minimum of three members. Every Audit and Finance Committee member must be a director of the Corporation. Members of the Audit and Finance Committee shall be appointed by the Board. The quorum at any meeting of the Audit and Finance Committee is a majority of its members. Each member shall serve until such member's successor is appointed unless that member resigns or is removed by the Board or otherwise ceases to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Audit and Finance Committee is less than three directors. The Chair of the Audit and Finance Committee may be designated by the Board or, if it does not do so, the members of the Audit and Finance Committee may elect a Chair by vote of a majority of the full Audit and Finance Committee membership. The Chair shall not have a second, or casting, vote. The Chair of the Audit and Finance Committee shall be responsible for overseeing the performance by the Audit and Finance Committee of its duties, for assessing the effectiveness of the Audit and Finance Committee and individual Audit and Finance Committee members and for reporting periodically to the Board.

All members of the Audit and Finance Committee must satisfy the independence, financial literacy and experience requirements of applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements. In particular, each member shall be "independent" and "financially literate" within the meaning of National Instrument 52-110 – *Audit Committees*.

3. Meetings

The Audit and Finance Committee shall meet as many times per year as necessary to carry out its responsibilities and shall meet at least quarterly at such times and at such locations as the Chair of the Audit and Finance Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation's interim and annual financial statements, the notes thereto and the related management's discussion and analysis accompanying such financial statements. Notice of every meeting shall be given to the external auditors, who shall, at the expense of the Corporation, be entitled to attend and to be heard thereat. The external auditors or any member of the Audit and Finance Committee may also request a meeting of the Audit and Finance Committee.

The Chair of the Audit and Finance Committee shall hold in camera sessions of the Audit and Finance Committee, without management present, at every meeting.

The external auditors are entitled to attend and be heard at any meeting of the Audit and Finance Committee. In addition, management employees of the Corporation shall, when required by the Audit and Finance Committee, attend any meeting of the Audit and Finance Committee.

The Audit and Finance Committee shall submit the minutes of all meetings to the Board, and when requested to, shall discuss the matters discussed at each Audit and Finance Committee meeting with the Board.

4. Committee Charter

The Audit and Finance Committee shall have a written charter that sets out its mandate and responsibilities and the Audit and Finance Committee shall review and assess the adequacy of such charter and the effectiveness of the Audit and Finance Committee at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board for its approval. Unless and until replaced or amended, this mandate constitutes that charter.

5. Duties of the Audit and Finance Committee

(a) General

The overall duties of the Audit and Finance Committee shall be to:

(i) assist the Board in the discharge of its duties relating to the Corporation's accounting policies and practices, reporting practices and internal controls;

(ii) establish and maintain a direct line of communication with the Corporation's external auditors and assess their performance;

(iii) oversee the work of the external auditors, which shall be responsible to report directly to the Audit and Finance Committee, including resolution of disagreements between management and the external auditors regarding financial reporting;

(iv) ensure that management has designed, implemented and is maintaining an effective system of internal controls, and adequate disclosure controls and procedures;

(v) monitor the credibility and objectivity of the Corporation's financial reports;

(vi) report regularly to the Board on the fulfillment of the Audit and Finance Committee's duties;

(vii) assist, with the assistance of the Corporation's legal counsel, the Board in the discharge of its duties relating to the Corporation's compliance with legal and regulatory requirements;

(viii) assist the Board in the discharge of its duties relating to risk assessment and risk management, including reviewing and approving risk management corporate policies and the organizational structure and resources of the risk management function; and

(ix) reviewing, approving and overseeing, as appropriate, the effectiveness of the process, framework, principles, operating procedures and systems, including the risk management corporate policies, developed to identify, evaluate and oversee appropriate management of applicable risks.

(b) External Auditors

The duties of the Audit and Finance Committee as they relate to the external auditors shall be to:

(i) review management's recommendations for the appointment of the external auditors, and in particular their qualifications and independence, and, if advisable, select and recommend to the Board a firm of external auditors to be nominated and the compensation of such external auditor;

(ii) review the performance of the external auditors and make recommendations to the Board regarding the appointment or termination of the external auditors;

(iii) review, where there is to be a change of the external auditors, all issues related to the change, including the information to be disclosed in the notice of change of auditors required under National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") or any successor legislation, and the planned steps for an orderly transition;

(iv) review all reportable events, including disagreements, unresolved issues and consultations, as defined in NI 51-102, on a routine basis, whether or not there is to be a change of the external auditors;

(v) ensure the rotation of partners on the audit engagement team of the external auditors in accordance with applicable law;

(vi) review and approve, in advance, the engagement letters of the external auditors, both for audit and for any permissible non-audit services, including the fees to be paid for such services, however the Audit and Finance Committee may delegate pre-approval authority to a member of the Audit and Finance Committee and the decisions of any member of the Audit and Finance Committee to whom this authority has been delegated must be presented to the full Audit and Finance Committee at its next scheduled Audit and Finance Committee meeting;

(vii) review the performance, including the fee, scope and timing of the audit and other related services and any non-audit services provided by the external auditors;

(viii) review the nature of and fees for any non-audit services performed for the Corporation by the external auditors and consider whether the nature and extent of such services could detract from the external auditors' independence in carrying out the audit function; and

(ix) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

(c) Audits and Financial Reporting

The duties of the Audit and Finance Committee as they relate to audits and financial reporting shall be to:

(i) review the audit plan with the external auditors and management;

(ii) review with the external auditors and management all critical accounting policies and practices of the Corporation, including any proposed changes in accounting policies, the presentation of the impact of significant risks and uncertainties, all material alternative accounting treatments that the external auditors have discussed with management, other material written communications between the external auditors and management, and key estimates and judgments of management that may in any such case be material to financial reporting;

(iii) review the contents of the audit report;

(iv) question the external auditors and management regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(v) review the scope and quality of the audit work performed;

(vi) review the adequacy of the Corporation's financial and auditing personnel;

(vii) review the co-operation received by the external auditors from the Corporation's personnel during the audit, any problems encountered by the external auditors and any restrictions on the external auditors' work;

(viii) review the evaluation of internal controls by management and the external auditors, together with management's response to the recommendations, including subsequent follow-up of any identified weaknesses;

(ix) review the appointments of the Chief Financial Officer, persons performing the internal audit function and any key financial executives involved in the financial reporting process;

(x) review with management and the external auditors and, if advisable, approve and recommend for Board approval the Corporation's annual audited financial statements in conjunction with the report of the external auditors thereon and management's discussion and analysis accompanying such financial statements, after having obtained an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board, filing with securities regulatory authorities and the release thereof to the public;

(xi) review with management and the external auditors and, if advisable, approve the Corporation's unaudited interim financial statements and management's discussion and analysis accompanying such financial statements, and after having obtained an explanation from management of all significant variances between comparative reporting periods before filing with securities regulatory authorities and the release thereof to the public;

(xii) review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated; and

(xiii) review the terms of reference for an internal auditor or internal audit function (if applicable).

(d) Accounting and Disclosure Policies

The duties of the Audit and Finance Committee as they relate to accounting and disclosure policies and practices shall be to:

(i) review the effect of regulatory and accounting initiatives and changes to accounting principles of the Canadian Institute of Chartered Accountants or, if it should cease to exist, the entity which is the successor thereto, which would have a significant impact on the Corporation's financial reporting as reported to the Audit and Finance Committee by management and the external auditors;

(ii) review the appropriateness of the accounting policies used in the preparation of the Corporation's financial statements and consider recommendations for any material change to such policies;

(iii) review the status of material contingent liabilities as reported to the Audit and Finance Committee by management;

(iv) review the status of income tax returns and potentially significant tax problems as reported to the Audit and Finance Committee by management;

(v) review any errors or omissions in the current or prior years' financial statements; and

(vi) review and approve before their release and filing with securities regulatory authorities, as applicable, all public disclosure documents containing audited or unaudited financial results, including all press releases, offering documents, annual reports, annual information forms and management's discussion and analysis containing such results.

(e) Audit and Finance Committee Whistleblower Procedures

The Audit and Finance Committee is responsible for administering this whistleblower policy of the Corporation, including (a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(f) Audit and Finance Committee Disclosure

The Audit and Finance Committee shall prepare, review and approve any Audit and Finance Committee disclosures required by Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements in the Corporation's disclosure documents.

(g) Delegation

The Audit and Finance Committee may, to the extent permissible by Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements, designate a sub-committee to review any matter within this mandate as the Audit and Finance Committee deems appropriate.

(h) Other Duties

The other duties of the Audit and Finance Committee shall include:

(i) reviewing any inquiries, investigations or audits of a financial nature by governmental, regulatory or taxing authorities;

(ii) reviewing annual operating and capital budgets;

(iii) reviewing and reporting to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;

(iv) inquiring of management and the external auditors as to any activities that may be or may appear to be illegal or unethical;

(v) at the request of the Board, reviewing and advising on the risk impact of any strategic decision;

(vi) reviewing reports provided by management of principal risks associated with the Corporation's operations;

(vii) reviewing management's evaluation of risk aspects of strategies or exposures to industry segments, countries and key markets to ensure they are in keeping with overall risk tolerances of the Corporation;

(viii) understanding significant and emerging risks to which the Corporation is exposed; and

(ix) any other questions or matters referred to it by the Board.

6. Authority to Engage Independent Counsel and Other Advisors

The Audit and Finance Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit and Finance Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit and Finance Committee, in its capacity as a committee of the Board, for the payment of compensation to:

(a) the external auditors employed by the Corporation for the purpose of rendering or issuing an audit report; and

(b) any advisors employed by the Audit and Finance Committee.

7. No Rights Created

This mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.